

109TH CONGRESS  
1ST SESSION

# H. R. 3601

To require the establishment of a Consumer Price Index for Elderly Consumers to compute cost-of-living increases for Social Security and Medicare benefits under titles II and XVIII of the Social Security Act.

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## IN THE HOUSE OF REPRESENTATIVES

JULY 28, 2005

Mr. SANDERS (for himself, Mr. NEY, Mr. BROWN of Ohio, Mr. McNULTY, Mr. PLATTS, Mr. WYNN, Mr. GEORGE MILLER of California, Mr. FARR, Mr. ABERCROMBIE, Mr. GRIJALVA, Ms. WOOLSEY, Mr. FRANK of Massachusetts, Mr. DEFazio, Mr. KILDEE, Mr. MCINTYRE, Mr. COSTELLO, Mrs. MALONEY, Mr. AL GREEN of Texas, Mr. WEINER, Mr. BRADY of Pennsylvania, Mr. GONZALEZ, Mr. PALLONE, Mr. CONYERS, Mr. SERRANO, Ms. HERSETH, Mrs. MCCARTHY, Ms. LEE, Mr. DOYLE, Mr. DELAHUNT, Mr. OWENS, Mr. KANJORSKI, Ms. SLAUGHTER, Mr. STARK, Mr. FILNER, Ms. JACKSON-LEE of Texas, Ms. GINNY BROWN-WAITE of Florida, Mr. WEXLER, Mr. LATOURETTE, Mr. DUNCAN, Mrs. JO ANN DAVIS of Virginia, Mr. OBERSTAR, Mr. OLVER, Ms. MCCOLLUM of Minnesota, Mr. ROTHMAN, Mr. WAXMAN, Ms. BERKLEY, Mr. KUCINICH, Ms. SOLIS, Mr. MCGOVERN, Mr. RUSH, Mr. RYAN of Ohio, Ms. MILLENDER-MCDONALD, Mr. GUTIERREZ, Mr. HALL, Mr. PAYNE, Ms. SCHAKOWSKY, Mr. GENE GREEN of Texas, Ms. WASSERMAN SCHULTZ, Mr. GORDON, Mr. RANGEL, Mr. BISHOP of Georgia, Mr. MICHAUD, Mrs. CHRISTENSEN, Mr. STUPAK, Mr. RUPPERSBERGER, Ms. ROYBAL-ALLARD, Ms. CARSON, Ms. KAPTUR, Mr. FALEOMAVAEGA, Mr. INSLEE, Mr. CRAMER, Mr. JEFFERSON, Ms. CORRINE BROWN of Florida, Mr. THOMPSON of Mississippi, Mr. TOWNS, Ms. WATSON, Mr. HIGGINS, Mr. ROSS, Mr. CUMMINGS, Mr. VAN HOLLEN, Mr. ISRAEL, Mr. HONDA, Mr. HOLDEN, Mr. SCHIFF, Mr. SIMMONS, Mr. MURTHA, Mrs. NAPOLITANO, Ms. NORTON, Mr. DAVIS of Alabama, Mrs. LOWEY, Mr. HASTINGS of Florida, Mr. LANTOS, Mr. MARSHALL, Mr. MOLLOHAN, Mr. HINCHEY, Ms. LORETTA SANCHEZ of California, Mr. DAVIS of Illinois, Mr. ENGEL, Mr. BUTTERFIELD, Mr. EVANS, Mr. WU, Mr. CHANDLER, and Mr. CROWLEY) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committees on Energy and Commerce and Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

# A BILL

To require the establishment of a Consumer Price Index for Elderly Consumers to compute cost-of-living increases for Social Security and Medicare benefits under titles II and XVIII of the Social Security Act.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

## 3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Consumer Price Index  
5 for Elderly Consumers Act of 2005”.

## 6 **SEC. 2. CONSUMER PRICE INDEX FOR ELDERLY CON-** 7 **SUMERS.**

8 (a) IN GENERAL.—The Bureau of Labor Statistics  
9 of the Department of Labor shall prepare and publish an  
10 index for each calendar month to be known as the “Con-  
11 sumer Price Index for Elderly Consumers” that indicates  
12 changes over time in expenditures for consumption which  
13 are typical for individuals in the United States who are  
14 62 years of age or older.

15 (b) EFFECTIVE DATE.—Subsection (a) shall apply  
16 with respect to calendar months ending on or after July  
17 31 of the calendar year following the calendar year in  
18 which this Act is enacted.

19 (c) AUTHORIZATION OF APPROPRIATIONS.—There  
20 are authorized to be appropriated such sums as are nec-  
21 essary to carry out the provisions of this section.

1 **SEC. 3. COMPUTATION OF COST-OF-LIVING INCREASES.**

2 (a) AMENDMENTS TO TITLE II.—

3 (1) IN GENERAL.—Section 215(i) of the Social  
4 Security Act (42 U.S.C. 415(i)) is amended—

5 (A) in paragraph (1)(G), by inserting be-  
6 fore the period the following: “, and, solely with  
7 respect to any monthly insurance benefit pay-  
8 able under this title to an individual who has  
9 attained age 62, effective for adjustments under  
10 this subsection to the primary insurance  
11 amount on which such benefit is based (or to  
12 any such benefit under section 227 or 228) oc-  
13 ccurring after such individual attains such age,  
14 the applicable Consumer Price Index shall be  
15 deemed to be the Consumer Price Index for El-  
16 derly Consumers and such primary insurance  
17 amount shall be deemed adjusted under this  
18 subsection using such Index”; and

19 (B) in paragraph (4), by striking “and by  
20 section 9001” and inserting “, by section  
21 9001”, and by inserting after “1986,” the fol-  
22 lowing: “and by section 3(a) of the Consumer  
23 Price Index for Elderly Consumers Act,”.

24 (2) CONFORMING AMENDMENTS IN APPLICABLE  
25 FORMER LAW.—Section 215(i)(1)(C) of such Act, as  
26 in effect in December 1978 and applied in certain

1 cases under the provisions of such Act in effect after  
2 December 1978, is amended by inserting before the  
3 period the following: “, and, solely with respect to  
4 any monthly insurance benefit payable under this  
5 title to an individual who has attained age 62, effective for adjustments under this subsection to the primary insurance amount on which such benefit is  
6 based (or to any such benefit under section 227 or  
7 228) occurring after such individual attains such  
8 age, the applicable Consumer Price Index shall be  
9 deemed to be the Consumer Price Index for Elderly  
10 Consumers and such primary insurance amount  
11 shall be deemed adjusted under this subsection using  
12 such Index”.

15 (3) EFFECTIVE DATE.—The amendments made  
16 by paragraph (1) shall apply to determinations made  
17 by the Commissioner of Social Security under section 215(i)(2) of the Social Security Act (42 U.S.C.  
18 415(i)(2)) with respect to cost-of-living computation  
19 quarters ending on or after September 30 of the second calendar year following the calendar year in  
20 which this Act is enacted.

23 (b) AMENDMENTS TO TITLE XVIII.—

24 (1) IN GENERAL.—Title XVIII of such Act (42  
25 U.S.C. 1395 et seq.) is amended—

1 (A) in section 1814(i)(2)(B), by inserting  
2 “(i) for accounting years ending before October  
3 1 of the second calendar year following the cal-  
4 endar year in which the Consumer Price Index  
5 for Elderly Consumers Act was enacted,” after  
6 “for a year is”, and by inserting after “fifth  
7 month of the accounting year” the following: “,  
8 and (ii) for accounting years ending after Octo-  
9 ber 1 of such calendar year, the cap amount de-  
10 termined under clause (i) for the last account-  
11 ing year referred to in such clause, increased or  
12 decreased by the same percentage as the per-  
13 centage increase or decrease, respectively, in the  
14 medical care expenditure category (or cor-  
15 responding category) of the Consumer Price  
16 Index for Elderly Consumers, published by the  
17 Bureau of Labor Statistics, from March of such  
18 calendar year to the fifth month of the account-  
19 ing year”;

20 (B) in section 1821(c)(2)(C)(ii)(II), by  
21 striking “consumer price index for all urban  
22 consumers (all items; United States city aver-  
23 age)” and inserting “Consumer Price Index for  
24 Elderly Consumers”;

1 (C) in section 1833(h)(2)(A)(i), by striking  
2 “Consumer Price Index for All Urban Con-  
3 sumers (United States city average)” and in-  
4 serting “Consumer Price Index for Elderly Con-  
5 sumers”;

6 (D) in section 1833(i)(2)(C)(i), by striking  
7 “Consumer Price Index for all urban consumers  
8 (U.S. city average)” and inserting “Consumer  
9 Price Index for Elderly Consumers”;

10 (E) in section 1834(a)(14)(J), by striking  
11 “consumer price index for all urban consumers  
12 (U.S. city average)” and inserting “Consumer  
13 Price Index for Elderly Consumers”;

14 (F) in section 1834(h)(4)(A)(x), by strik-  
15 ing “consumer price index for all urban con-  
16 sumers (United States city average)” and in-  
17 serting “Consumer Price Index for Elderly Con-  
18 sumers”;

19 (G) in section 1834(l)(3)(B), by striking  
20 “consumer price index for all urban consumers  
21 (U.S. city average)” and inserting “Consumer  
22 Price Index for Elderly Consumers”;

23 (H) in section 1839(i)(5)(A)(ii), by strik-  
24 ing “Consumer Price Index (U.S. city average)”

1 and inserting “Consumer Price Index for Elder-  
2 ly Consumers”;

3 (I) in section 1842(s)(1), by striking “con-  
4 sumer price index for all urban consumers  
5 (United States city average)” and inserting  
6 “Consumer Price Index for Elderly Con-  
7 sumers”;

8 (J) in each of subparagraphs (D)(ii) and  
9 (E)(i)(II) of section 1860D–14(a)(3)(D)(ii) and  
10 in each of clauses (i) and (ii) of section 1860D–  
11 14(a)(4)(A), by striking “consumer price index  
12 (all items; U.S. city average)” and inserting  
13 “Consumer Price Index for Elderly Con-  
14 sumers”;

15 (K) in section 1882(p)(11)(C)(ii), by strik-  
16 ing “Consumer Price Index for all urban con-  
17 sumers (all items; U.S. city average)” and in-  
18 serting “Consumer Price Index for Elderly Con-  
19 sumers”;

20 (L) in each of clauses (iv) and (vi)(II) of  
21 section 1886(h)(2)(E), by striking “for all  
22 urban consumers”; and

23 (M) in section 1886(h)(5)(B), by striking  
24 “Consumer Price Index for All Urban Con-  
25 sumers (United States city average)” and in-

1           serting “Consumer Price Index for Elderly Con-  
2           sumers”.

3           (2) EFFECTIVE DATE.—The amendments made  
4           by paragraph (1) shall apply with respect to deter-  
5           minations made for periods ending after December  
6           31 of the second calendar year following the cal-  
7           endar year in which this Act was enacted.

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